

U.S. and utilize the second circuit of the 1,200 MW export transmission line built by TDM to serve the U.S. market.

Baja California is projecting an electrical energy demand growth rate of 6 percent per year. Mexico's Secretary of Energy has recently stated that an additional 2,055 MW of gas-fired power generation is planned for Baja California by 2013.<sup>19</sup> This represents a doubling of Baja California's gas-fired power generation capability in 10 years. Sempra Energy is predicting that the natural gas demand in Baja California will increase from approximately 150 to 200 million cubic feet per day (mmcf) in 2003 to 500 mmcf in 2008 and reach 1,000 mmcf by 2015.<sup>20</sup> Virtually all natural gas used in Baja California is used in gas-fired power plants. A Baja California gas demand of 500 mmcf in 2008 represents nearly a three-fold increase in power plant gas consumption over current levels. Given the spectacular projected increase in gas-fired power generation in Baja California over the next 10 years it is hard to imagine a scenario where LRPC and TDM, having requested and received authorization to build double circuit transmission lines capable of transmitting 1,200 MW to 1,400 MW each, would not at some point in the next 10 years utilize most or all of the authorized transmission line capacity. The Comisión Federal de Electricidad (CFE), the Mexican national utility monopoly, shows a second 600 MW TDM export power plant coming on-line in Mexicali in June 2005.<sup>21</sup> The June 2005 estimated start-up date will not be met. However, this plant will almost certainly be built during the cumulative impact analysis time period defined as 10 years in the DEIS.

**Recommendation 12** – The cumulative impact analysis must assume a second 600 MW plant at the LRPC site and a second 600 MW plant at the TDM site.

**Comment 13: DEIS Should Include a Description of Seven Environmental Permit Conditions for Inclusion in the LRPC and TDM Presidential Permits to Ensure Compliance with Environmental Mitigation Commitments**

The failure of Intergen to install SCR on the EAX export turbine in a timely manner is an example of why explicit conditions must be included in the Presidential Permits to ensure compliance with the mitigation measures identified in the EIS. It was the Court's clear understanding in May 2003 that the EAX export turbine would be equipped with SCR to achieve an emission limit of 4 ppm by the date of commercial start-up.<sup>27</sup> It is likely that several 100s of tons of additional NO<sub>x</sub> were emitted from this turbine between June 2003 and January 2004 as a result of LRPC's failure to install the SCR. LRPC ultimately shut down the EAX export turbine in January 2004.<sup>28</sup> LRPC restarted the turbine in March 2004 claiming that the SCR was installed and operational. However, BPPWG is unaware of any data provided by LRPC or DOE

<sup>19</sup> Attachment C: Calderon, F., *Opportunities for LNG Terminals in Mexico*, U.S. DOE LNG Ministerial Summit presentation, December 17-18, 2003.

<sup>20</sup> Attachment D: Sempra response letter to Greenpeace dated May 21, 2004.

<sup>21</sup> Attachment E: Aboytes, F., *CFE Generation and Transmission Expansion Plan Baja California System: 2003-2007*, Southwest Transmission Expansion Plan meeting, March 2003.

<sup>27</sup> May 3, 2003 Court Order, p. 3 (also DEIS p. A-7)

<sup>28</sup> Attachment F: *Intergen Gives In, Unplugs Turbine*, San Diego Union Tribune, January 17, 2004.

that demonstrates that the SCR is in fact operational and achieving the 4 ppm NO<sub>x</sub> emission limit identified in the original Environmental Assessment or the 2.5 ppm NO<sub>x</sub> limit identified for EAX export turbine on p. G-3 of the DEIS.

Explicit Presidential Permit monitoring, reporting, and enforcement conditions are clearly necessary. As noted by the Court in the May 3, 2003 Order, *"Although defendants argue that 'international sensitivities' preclude conditioning the permits from being a reasonable and feasible alternative, such a discussion belongs in the EA's alternative analysis rather than a litigation brief. Furthermore, the Court is unconvinced that the federal government's jurisdiction to ameliorate negative environmental effects within the United States necessarily offends international principles of law. The condition would not be a direct regulation of Mexican power plants; those plants could still choose to sell their power to the Mexican market or transmit their power via an alternate route rather than meet the condition."*

**Recommendation 13:** Seven environmental permit conditions should be added to the Presidential Permits that state –

1. All PM<sub>10</sub> and NO<sub>x</sub> emissions must be completely offset within two years of the issuance of an approved Presidential Permit;
2. The DOE will enjoin use of the transmission line(s) at any time the plants are in violation of the air emission limits specified on p. G-3 and p. G-4 of the DEIS;
3. Air monitoring data will routinely/continuously be provided to Imperial County APCD authorities by LRPC and TDM;
4. Averaging time for all air pollutants is 3 hours;
5. Consumptive water use is limited to 717 acre-ft/yr at LRPC and 350 acre-ft/yr at TDM;
6. Data from an approved flow monitor must be routinely provided to the Regional Board to verify water consumption;
7. Discharge of wastewater to the New River that has not been treated for salinity removal is prohibited.

**Attachments**

- Attachment A: Debacker, L., Wurtz, W., *Why Every Air-Cooled Steam Condenser Needs a Cooling Tower*, Paper TP03-01, Cooling Technology Institute Annual Conference, August 2003
- Attachment B: Rusley, D., *Streeter Station Unit 7 Retrofit to Wet-Dry Cooling System*, presented at Dry Cooling Symposium, San Diego, May 2002
- Attachment C: Calderon, F., *Opportunities for LNG Terminals in Mexico*, U.S. Department of Energy LNG Ministerial Summit, December 17-18, 2003
- Attachment D: Sempra response letter to Greenpeace dated May 21, 2004
- Attachment E: Aboytes, F., *CFE Generation and Transmission Expansion Plan Baja California System: 2003-2007*, Southwest Transmission Expansion Plan meeting, March 2003
- Attachment F: *Intergen Gives In, Unplugs Turbine*, San Diego Union Tribune, January 17, 2004

0004-12  
(cont.)

0004-13

0004-13  
(cont.)

Document 0004, Attachment A

PAPER NO: TP03-01  
CATEGORY: DRY COOLING

COOLING TECHNOLOGY INSTITUTE

WHY EVERY AIR COOLED STEAM  
CONDENSER NEEDS A COOLING TOWER

LUC DE BACKER Ph.D.  
WILLIAM M. WURTZ  
HAMON DRY COOLING



The studies and conclusions reported in this paper are the results of the author's own work. CTI has not investigated, and CTI expressly disclaims any duty to investigate, any product, service process, procedure, design, or the like that may be described herein. The appearance of any technical data, editorial material, or advertisement in this publication does not constitute endorsement, warranty, or guarantee by CTI of any product, service process, procedure, design, or the like. CTI does not warrant that the information in this publication is free of errors, and CTI does not necessarily agree with any statement or opinion in this publication. The user assumes the entire risk of the use of any information in this publication. Copyright 2003. All rights reserved. This paper has been reviewed by members of the Cooling Technology Institute and approved as a valuable contribution to cooling tower literature, and presented by the author at the Annual Conference of CTI.

Presented at the 2003 Cooling Technology Institute Annual Conference  
San Antonio, Texas – February 10-13, 2003

Document 0004, Attachment B

CEDAR FALLS UTILITIES  
CEDAR FALLS, IA



STREETER STATION

Unit #7

Wet/Dry Cooling System

Document 0004, Attachment C



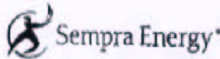
**LNG Ministerial Summit**

**Opportunities for LNG Terminals in Mexico**

**Felipe Calderón,**  
Secretary of Energy  
Washington D.C  
December 17th , 2003

Document 0004, Attachment D

MAY-21-2004 16:48 GREENPEACE 415 2559201 P. 03/04



Michael Murray  
Director  
Environmental & Safety Policy  
101 4th Street  
San Diego, CA 92101  
Tel: 619.686.3320  
Fax: 619.686.4268  
mmurray@semptra.com

May 21, 2004

Mr. John Coequet  
Energy Policy Specialist  
Greenpeace  
702 H Street, NW  
Washington, D.C. 20001

Dear Mr. Coequet:

As Semptra Energy's director responsible for environmental compliance, I have been asked by Mr. Baum to respond to your letter of May 18, 2004. I will be happy to meet with you next Tuesday, but first would like to address some strongly worded and inaccurate assertions you made in your letter.

We agree that renewable energy and energy-efficiency programs are vital to our nation's energy future, but, unfortunately, they alone cannot meet demand. Numerous market studies and experts support our belief that natural gas will remain a critical energy source for North America well into the foreseeable future -- especially to fuel the new, cleaner and more efficient generation of gas-fired power plants that have been built over the past decade.

Natural gas has been one of the largest contributors to displacing less environmentally friendly fuels and reducing air emissions, both in power production and in motor vehicles. Unfortunately, domestic production of natural gas is declining and cannot keep pace with increased demand. There is widespread agreement among government and industry leaders that the import of liquefied natural gas (LNG) will be critical in offsetting this supply shortfall.

In fact, just last month, Federal Reserve Chairman Alan Greenspan called for a major expansion of LNG shipping terminals, stating that rising oil and gas prices "can significantly affect the path of the U.S. economy."

Semptra Energy is taking a lead role in bringing LNG to North America with three LNG receipt facilities under development. Our Energia Costa Azul facility in Baja California, which you referenced in your letter, has been subjected to rigorous and careful review by federal, state and local regulators in Mexico. We will construct and operate this facility in full compliance with our permit conditions and the facility's design will incorporate some of the most stringent environmental safeguards in the industry.

PRY-21-2004 16:49

GREEN-PEACE

415 2599201 P.04/04

Mr. John Conquyt  
Energy Policy Specialist  
Greenpeace  
May 21, 2004  
Page Two

Baja California, Mexico, has no native supplies of natural gas and, historically, has been dependent on gas exported from the United States. Therefore, Mexico's government has embraced taking control of its energy destiny and developed the regulatory framework to attract its own stable gas supply through LNG. You incorrectly stated that Energía Costa Azul is being built solely for the benefit of the United States. In fact, when our facility is completed in 2007, we expect that Mexico will consume about half of the gas from the plant and virtually all of the output by the middle of the next decade.

You should be aware that the Sempra Energy companies have a long history of environmental stewardship. Through San Diego Gas & Electric's agreement to purchase power, we were instrumental in the development of Mexico's largest geothermal field and we also have a major solar-power project operating at our jointly owned El Dorado Energy power plant in Nevada. Also, SDG&E and Southern California Gas Co. have been pioneers in the promotion and support of alternative-fuel vehicles, as well as in the development of fuel-cell technology.

Finally, in regard to SDG&E's electric-resource plan, we believe that SDG&E has done an excellent job developing a balanced portfolio of renewables, demand-response programs and local generating resources to meet the San Diego region's long-term energy needs.

SDG&E has dramatically increased its renewable purchases, currently contracting for 9 percent of its supplies, up from less than 1 percent only two years ago. The utility is well ahead of the plan to meet California's goal of supplying 20 percent of customers' energy needs from renewable resources by 2017.

Furthermore, SDG&E and Southern California Gas Co. continue to be strong advocates of demand-response programs and have a well-documented track record of success in this area. The National Resources Defense Council recognized SDG&E in 1996 with a national award for the utility's leadership in energy-efficiency programs – the first time the environmental group ever recognized a private-sector utility for its contributions to the public interest.

At your earliest convenience, I would appreciate your contacting me at 619/696-2320 to coordinate our meeting.

Sincerely,

  
Michael J. Murray

## Document 0004, Attachment E

**CFE**

COMISION FEDERAL DE ELECTRICIDAD

### Generation and Transmission Expansion Plan Baja California System

2003-2007

Florencio Aboytes PhD

March 2003



## Document 0004, Attachment F

### InterGen gives in, unplugs turbine

By Diane Lindquist  
STAFF WRITER  
January 17, 2004

Under pressure from the U.S. Department of Energy, InterGen has shut down one generating unit at its Mexicali power plant, which has been transmitting electricity to California since July.

The action was taken, the department said, because InterGen misled the government into believing that both of the plant's export turbines were fitted with pollution control devices.

Environmentalists, who have long criticized the project, recently discovered that InterGen had not fitted one of the turbine units with the Selective Catalytic Reduction technology, or SCRs.

Late last week, officials with the Energy Department met with InterGen executives and threatened to revoke the company's export permit unless the company shut down the turbine, which produces about 100 megawatts of electricity.

InterGen agreed to turn off the turbine.

"We never intended to mislead anyone with regard to the SCR plan," InterGen said in a statement released yesterday.

Tony Como of the Energy Department said his decision to grant the permit to allow InterGen to build a transmission line across the U.S.-Mexico border was based on his understanding, expressed in the department's environmental assessment, that InterGen would install scrubbers before operating the export units.

"It is contrary to the public interest for a permit holder to violate representations it makes in the course of applying for a permit," Como said in a declaration to U.S. District Judge Irma E. Gonzalez in San Diego.

Neither Como nor other Energy Department officials could be reached for comment yesterday. In a lawsuit last year filed by the Border Power Plant Working Group, Earthjustice and Wild Earth Advocates, Gonzalez ruled that the permit was granted illegally.

She ordered the Energy Department to conduct a more thorough analysis of the environmental impact of InterGen's plant and another built nearby by Semptra Energy. She allowed the facilities to continue transmitting electricity from Mexico to California, however.

All of Semptra's turbines are fitted with SCRs.

Bill Powers, organizer of the Border Power Plant Working Group, said attorneys for InterGen and the Energy Department testified that the pollution controls were in place.

"The judge made her decision based on bad information," Powers said. "I think we would have seen a different determination on whether InterGen could continue to operate the plant."

A clerk for Gonzalez said the judge will not take further action on the case "at this time." Plaintiffs are in the process of deciding whether to ask Gonzalez to reconsider her decision, Powers said.

InterGen also has sent declarations to the court in the wake of the discovery.

In one, Vimal Chauhan, vice president of Baja California Power, an InterGen subsidiary, said the company decided to equip the unit with pollution controls after area residents raised concerns about emissions.

"We believed it was permissible to operate the unit pending the SCR retrofit as long as that was accomplished in a reasonably expeditious manner," Chauhan said.

Officials in Imperial County, concerned about emissions from both the InterGen and Semptra plants, also believed the InterGen unit was equipped with scrubbers.

"We were all very disappointed to learn that they weren't," said Miguel Monroy, an official in the county's agricultural and air pollution control agency.

Rep. Duncan Hunter, R-San Diego, and Sen. Dianne Feinstein, D-Calif., said they decided not to proceed with legislation to ban electricity from Mexico.

"We weren't pleased" to learn the turbine wasn't outfitted with SCRs, a spokesman for Hunter said. "We took the commitment made by InterGen on good faith."

The legislators wrote a letter urging Energy Secretary Spencer Abraham to take action and they are monitoring the situation. Legislation could be reactivated at any time, the spokesman for Hunter said.

---

Diane Lindquist: (619) 293-1812; [diane.lindquist@uniontrib.com](mailto:diane.lindquist@uniontrib.com)

0005-1  
0005-2  
0005-3

Additional Submittal from Commentor 0004, Bill Powers

Understanding Air Pollution and Health in the Binational Airshed of the Imperial and Mexicali Valleys

Comprensión de la Contaminación del Aire y la Salud en la Cuenca Binacional Atmosférica de los Valles de Imperial y de Mexicali



Revised – Versión actualizada

Document 0005

Russell, Ellen

From: Bernchrsp@aol.com  
Sent: Saturday, July 31, 2004 12:01 PM  
To: Russell, Ellen  
Cc: fan@wafs.com  
Subject: Comment on Sempra Energy and Intergen

Ellen Russell  
NEPA Document Manager  
Office of Fossil Energy (FE-27)  
U.S. Department of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585-0350

Dear Ellen Russell,

I learned about U.S. power plant developers attempting to take advantage of less stringent environmental standards in Mexico during the NEPA process. It is very important the full NEPA process not be averted, shortened or avoided. That is your responsibility as a government worker and a US citizen.

The current NEPA regulation requires that Sempra Energy and Intergen mitigate the impacts of their power plants before being granted presidential permits, and that DOE condition any permits on mitigation. That process must take into account the emission offsets for nitrogen oxide (NOx) and particulate emissions from Intergen's La Rosita Power Complex and Sempra's Termoelectrica de Mexicali.

The draft Environmental Impact Statement (EIS) prepared by the DOE for these two power plants clearly identifies significant air and water impacts, while at the same time concludes that these problems do not reach a sufficient level of significance to require mitigation.

I will be looking for your decision on this matter and your response.

Sincerely

Christine Powell  
PO Box 1583  
El Granada, California 94018

8/16/2004



June 10, 2004

Ellen Russell  
NEPA Document Manager  
Office of Fossil Energy, FE-27  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, DC 20585-0301

SUBJECT: Draft Environmental Impact Statement for the Imperial-Mexicali  
230-kV Transmission Lines (Department of Energy/EIS-0365)

Dear Ms. Russell:

The County of Imperial, Planning/Building Department, received the May 5, 2004, Draft Environmental Impact Statement on May 13, 2004, for review and comment. There are two public hearings that the Department of Energy will convene that are scheduled to be held in Imperial County, in July 2004, in the cities of El Centro and Calexico.

The U.S. Department of Energy's (DOE) Federal action is to issue Presidential permits to either Sempra Energy Resources (Sempra) or Baja California Power, Inc. (Intergen), or to both, for the construction, operation, maintenance, and connection of two double-circuit, 230,000-volt (230-kV) electric transmission lines crossing the U.S. international border and connect to separate natural gas-fired power plants that have been constructed in Mexico.

The submitted Draft EIS by the DOE and the Department of Interior, Bureau of Land Management (BLM) has been prepared under the National Environmental Policy Act (NEPA) "...as if the transmission lines had never been built..."

939 MAIN STREET, SUITE B-1, EL CENTRO, CA 92243-2856 (760) 482-4236 FAX (760) 353-8338  
E-MAIL: planning@imperialcounty.net plan@imperialcounty.net (AN EQUAL OPPORTUNITY EMPLOYER)

Ellen Russell  
Draft EIS Response  
Page 2 of 5

#### Background:

The initial meeting of federal, state, proponents, consultants and County staff was held on June 5, 2000, to discuss the construction of a natural gas pipeline through Imperial County. From the very beginning of the proposed natural gas pipeline project by the North Baja Pipeline, LLC, commencing in 2000, the County was informed that the federal government, Federal Energy Regulatory Commission (FERC) was going to be the NEPA "Lead Agency" and that the California Environmental Quality Act (CEQA) "Lead Agency" was going to be the State Lands Commission.

From the initial meetings on the proposed natural gas pipeline, the County viewed the proposed pipeline, power plant construction, and transmission lines into the United States as an attempt to circumvent the need for an EPA-based environmental analysis.

The County's immediate response to the notice of the proposed natural gas pipeline through the County into Mexico and the preparation of an environmental document was to inform David P. Boergers, Secretary of the FERC, on February 7, 2001, by Certified Mail that "...As the local land use and environmental agency having permitting and oversight for environmental projects in Imperial County, it is imperative that any federal and state environmental document that is prepared (i.e. a joint Environmental Impact Statement/Report (EIS/EIR) be coordinated through the Planning/Building Department of Imperial County..."

Also, the above 2001 letter stated that "...The proposed project is initially designed to carry 500 million cubic feet per day of natural gas. As designed, the new pipeline system will be available to serve existing and planned power plants in Baja California that will in turn serve the electric power demand in the northern Baja. Since air emissions from Baja California and Mexicali currently adversely impact Imperial County, any new power plant emissions should be comprehensively addressed and mitigation measures proposed in the joint EIS/EIR..." As was pointed out above, the likelihood of substantial and irreparable environmental harm was pointed out to the proponents of the natural gas pipeline from the beginning.

Thus, from 2001 and the initial stages of the development of the (1) natural gas pipeline, (2) the natural gas-fired power plants, and (3) the 230-kV transmission lines from Mexico to the Imperial Valley Substation, the County has consistently and comprehensively in numerous written comments on the NEPA documents addressed the potential for air quality, water quality and human health impacts of these projects. The above three actions are considered by the County as inter-linked and as three links within a causal chain of events.

In December 2001, the DOE and BLM after preparing a "Environmental Assessment (EA)", each agency issued a "Finding of No Significant Impact (FONSI)" for the



Ellen Russell  
Draft EIS Response  
Page 3 of 5

Presidential Permits and the BLM rights-of-way for the 230-kV electric transmission lines.

However, since 2001, the subsequent federal documents prepared did not tie the above three federal actions together and thus "piece-mealed" the project into three separate individual segments or parts.

Once again, the current Draft EIS being prepared attempts to short circuit the environmental impact review process in only reviewing the two existing natural gas plants. For example, in both the Draft EIS "Summary" and also in Appendix H, "Health Risk Assessment for Air Toxics", the Draft EIS document only addresses "...**all plants operating**..." (See page S-43, second paragraph).

The natural gas pipeline that was planned and constructed was to supply natural gas to not only the identified power plants in the Draft EIS, but also cumulatively to supply "...**future numerous identified power plants**, expansion of farming west of Mexicali, new economic development projects, and new businesses that would be generated from these new sources of electrical energy..." (please reference the County's previous correspondence in November 2003 and the attachments thereto).

**Questions: What about the other natural gas power plants that were slated to be constructed in Mexicali? Why is the Court-required EIS only reviewing impacts based on "plants" currently in operation when in fact the lines intend to and can accommodate more?**

**To Summarize:**

Suffice it to say that the Draft EIS to be prepared for only the above two natural gas-fired power plants, i.e. Intergen and SEMPRA, is contrary to the "**public interest**" and, as stated in previous correspondence, the "Presidential Permit" should not have been granted without the appropriate mitigation measures needing to be imposed on "plants operating" as well as on future upgraded or new power plants in Mexicali, industrial/economic development projects, and the agricultural expansions west of Mexicali.

Since 2000, the County has consistently informed the federal government agencies, the State Lands Commission, and its environmental contractors that the project and its environmental impacts should be reviewed in its "entirety" and should be addressed upfront outlining all of the potential air quality, water quality impacts to the Salton Sea, and the human health impacts and the appropriate mitigation **measures prior to** the construction of the natural gas pipeline through Imperial County.

Ellen Russell  
Draft EIS Response  
Page 4 of 5

It is the County's position that "**but for**" the construction of the natural gas pipeline through Imperial County into Mexico, there may not have been natural-gas powered plants, upgraded power plants, future industrial/economic development projects and no need for the 230-kV transmission lines crossing the international border into the Imperial Valley Substation.

As you may be aware, the County of Imperial is classified as a nonattainment area for federal PM 10, and the City of Calexico classified as a nonattainment area for PM 10, ozone, and CO at this time. In the future, Imperial County may also be designated as nonattainment for PM 2.5. The U.S. Environmental Protection Agency (EPA) reviewed an air quality study prepared by the Imperial County Air Pollution Control District (APCD) stating essentially that the County would have attained a "moderate" PM 10 classification were it not for the harmful air pollution emissions from Mexicali.

After review, the County also feels that the Draft EIS and Health Risk Assessment submitted by the U.S. DOE and BLM on the 230-kV transmission lines do not provide the necessary mitigation to resolve the existing/future air impacts on local residents, the water impacts on the Salton Sea and human health impacts and is inadequate due to the continued lack of appropriate environmental mitigation.

It is unfortunate that the original natural gas pipeline environmental review and subsequent federal NEPA documents did not have the same point of reference, i.e. "...as if the natural gas pipeline had never been built..."

As stated in the November 20, 2003, public hearing on the proposed projects, "...**in Imperial County we have a large geothermal resource that currently produces quite a few kilowatts and has a capacity of producing in excess of 2000 megawatts of power. So we question why we continue to support fossil fuel plants that pollute the atmosphere when, in fact, we have a renewable energy source that is quite capable of producing a lot of power. I think this should be taken into consideration when you consider these types of projects...**"

Thank you for the opportunity to review the Draft EIS prepared by DOE and BLM. There are identified proposals for mitigation of air emissions in Imperial County and Mexico on pages 4-58 and 4-59. However, there is no "program" provided in the Draft EIS document as to who will pay and maintain the proposed mitigation measures.

There is no identification of when such mitigation activities would occur and who would be the responsible agency that would implement these mitigation measures. Without specificity in the Final EIS, the proposals put forth are merely possibilities and not actual, verifiable and enforceable mitigation measures.

0006-1  
(cont.)

0006-1  
(cont.)

0006-2

0006-3

0006-4



0007-1

# Document 0007

150 SOUTH NINTH STREET  
EL CENTRO, CA 92543-2850



TELEPHONE: (760) 482-4606  
FAX: (760) 353-9904

July 1, 2004

Ms. Ellen Russell  
U.S. Department of Energy  
Office of Fossil Energy (FE-27)  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585-0301

RE: Draft Environmental Impact Statement for the Imperial-Mexicali 230-kV  
Transmission Lines (DOE/EIS-0365).

Dear Ms. Russell:

The Imperial County Air Pollution Control District (ICAPCD) received a copy of the May 5, 2004, Draft Environmental Impact Statement for the Imperial-Mexicali 230-kV Transmission Lines (Department of Energy/EIS-0365) on May 13, 2004. It is the ICAPCD's understanding that an extension of the original commenting deadline has been granted at the request of Border Power and that the two public hearings scheduled to be held in Imperial County on June 17, 2004, will now take place on July 14, 2004.

According to the DEIS, The U.S. Department of Energy (DOE) and Bureau of Land Management (BLM) are proposing the action of granting the Presidential permits and Right of Ways (ROW) to both Sempra Energy Resources (Sempra) and Baja California Power, Inc. (Intergen) as their projects are presently designed.

The ICAPCD favors a modified #4 alternative that was analyzed - "Mitigation Measures: Grant one or both permits and corresponding ROWs to authorize transmission lines whose developers would employ off-site mitigation measures to minimize environmental impacts in the United States"(pg. S-9). The ICAPCD feels that there should be mitigation measures implemented to offset the increased emissions and that these measures should be memorialized in the Presidential permits, however, the ICAPCD believes one step further should be taken to ensure the *off-site* mitigation

Page 1 of 9

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

0006-4  
(cont.)

Ellen Russell  
Draft EIS Response  
Page 5 of 5

We look forward to reviewing the Final EIS and if it does not provide the necessary mitigation measures that comprehensively mitigates all of the identified risks, the County reserves the right to review other options necessary to insure that the above adverse environmental and health care concerns are resolved.

If you have any questions, please contact me at (760) 482-4236, extension 4310.

Sincerely,

JURG HEUBERGER, AICP, CEP  
Planning Director

cc: Board of Supervisors  
Robertta Burns, County Executive Officer  
Ralph Cordova, County Counsel  
Joanne L. Yeager, Asst. County Counsel  
Stephen L. Birdsall, Ag. Commissioner/APCO  
Tim Jones, Public Works Director  
Mark Johnston, Environmental Health Services  
Fred Nippins, Interim Fire/OES Chief  
Jesse Silva, Manager, Imperial Irrigation District  
Greg Thomsen, BLM/EI Centro Field Office  
DOE Correspondence File  
10.105

JH/DG/RC/JM/GA/ca/G-PlanningClerical/DEISNaturalGasPlants&Transmission Lines

2-142

December 2004

measures take place in Imperial County.

As you know since 2000, the ICAPCD along with EPA, CARB, and several concerned Imperial County cities and community representative groups have been assessing, reviewing, and commenting on the proposed presidential permits and the potential adverse impacts the two projects will have on the residents of Imperial County and Mexicali.

The ICAPCD still feels very strongly that the operation of the two power plants and their associated transmission lines will have an adverse impact on the air quality for the Imperial/Mexicali Valley region. The following are several concerns that we continue to have and believe should thoroughly be addressed in the Final EIS:

- 1) Section 3.3.2, Air Quality (page 3-49), presents a broad scenario of the air quality in Imperial County and Mexicali Valleys for the principal air pollutants that are monitored in both valleys: Carbon Monoxide, Nitrogen Dioxide, Ozone, Sulfur Dioxide and PM10. This document evaluation approach assesses the air quality in both valleys based on the annual arithmetical mean for each of these pollutant.

ICAPCD believes that an evaluation of the regional air quality based on the annual arithmetical means as presented in this document, is clearly an attempt to diminish the magnitude of the air quality problem in the Imperial and Mexicali Valleys. The ICAPCD is adamant about the fact that the public should be presented with reliable and clear air monitoring data in order to make an accurate judgement of the magnitude of the existing air quality problem on the area in which these power plants are located, as well as the area of impact, in this case Imperial County.

The NAAQS establishes the concentration above which the pollutants is known to cause adverse health effects to sensitive groups within the population, such as children and the elderly. An evaluation of the status of the air quality on a region should include an analysis of compliance with the NAAQS for each pollutant that is being evaluated.

0007-1  
(cont.)

According to the air monitoring data for Imperial County, the 24-hr NAAQS for PM10 was violated 12 days in 1997, 12 days in 1998, 32 days in 1999, 38 days in 2000 and 18 days in 2001. In addition, the 1-hr ozone NAAQS was violated 10 days in 1997, 5 days in 1998, 24 days in 1999 and 5 days in 2000.

In comparison, the air monitoring data for Mexicali shows that the 24-hr NAAQS for PM10 was violated 162 days in 1997, 168 days in 1998, 222 days in 1999, 324 days in 2000, 264 days in 2001 and 228 days in 2002. The 1-hr ozone NAAQS for ozone was violated 16 days in 1997, 14 days in 1998, 19 days in 1999 and 7 days in 2000. In addition, the 1-hr NAAQS for CO was violated 5 days in 1997, 11 days in 1998, 4 days in 1999 and 3 days in 2000.

As you can clearly see by the number of standard exceedances mentioned above, the air quality in the Imperial County and Mexicali has been and continues to be deteriorated. The high levels of PM10 and CO in Mexicali has been categorized as critical by the Mexican authorities. Imperial County is a designated non-attainment area for PM10, Ozone, and CO for the City of Calexico, located on the border with Mexicali. Likewise, Mexicali is a non-attainment area for PM10, Ozone and CO. It should be pointed out that Mexicali is in violation of the U.S. ambient air quality standards and also the Mexican air quality standards which are similar to the U.S..

The ICAPCD suggests that the final document include a comprehensive evaluation of the air quality in Imperial County and Mexicali Valleys addressing all air monitoring data used to evaluate the compliance status of both areas with the NAAQS.

- 2) Section 4.3.4.4.2, Ozone Formation (page 4-50), Due to the fact background data on VOC levels is needed to model Ozone (O<sub>3</sub>) formation, DOE developed an alternative approach to help characterize ozone formation in this region. DOE analyzed 5 years of O<sub>3</sub> and NO<sub>2</sub> monitoring data and concluded that high O<sub>3</sub> levels mainly occurred at lower NO<sub>2</sub> levels and that in fact, these plots indicate a condition in which introducing more NO<sub>2</sub> reduces O<sub>3</sub> formation. These conclusions characterized the Imperial County-Mexicali area to be VOC-limited, in which by introducing more NO<sub>2</sub> there would be no increase in O<sub>3</sub>; when in fact, the reverse could hold true.

0007-2  
(cont.)

0007-3

0007-2

The ICAPCD is dumbfounded with these conclusions and can only hope that you do not mean that by *not* installing SCR to control nitrogen oxides at the turbines, it could in fact resolve the O<sub>3</sub> problem in the Mexicali and Imperial Valley area.

The 2003 emission inventory for Imperial County shows emissions of 12,940 tons per year of nitrogen oxides and 52,720 tons/year of VOC. As for Mexicali, the 1996 emission inventory shows emissions of 20,302 tons of nitrogen oxides and 56,552 tons/year of VOC. This data shows that the level of emissions for VOC is approximately three times higher than the level of emissions for nitrogen oxides. These figures show that the mechanism of O<sub>3</sub> formation in the Imperial County-Mexicali area can not be characterized to be VOC-limited. ICAPCD suggests that section 4.3.4.4.2, Ozone Formation, should be modified accordingly.

- 3) Section 4.3.4.4.2, Impacts Compared to EPA Significant Levels (page 4-52), evaluates the impact in Imperial County for the NO<sub>2</sub>, SO<sub>2</sub>, CO, and PM<sub>10</sub> emissions produced by the power plants based on the EPA Significant Levels (SLs) of 40 CFR 51.165(b)(2). This document concluded that the maximum increase in ambient concentration of air pollutants in Imperial County associated with emissions from the power plants are below the SLs established by the EPA; therefore, the impact on air quality from the generating facilities in Mexicali would be minimal.

By using 40 CFR 51.165(b)(2) to determine impact of the power plant, DOE assumed that Mexicali is a hypothetical attainment area. ICAPCD wants to stress with emphasis that the EPA Significant Levels of 40 CFR 51.165(b)(2) is not applicable to new sources in a non-attainment area (Mexicali) that are impacting an adjacent non-attainment area (Imperial County). The next paragraph of 40 CFR 51.165(b)(4) states: *"The requirements of paragraph 51.165 (b) of this section shall not apply to a major stationary source or major modification with respect to a particular pollutant if the owner or operator demonstrates that, as to that pollutant, the source or modification is located in an area designated as non-attainment pursuant to section 107 of the Act."*

0007-3  
(cont.)

As presented above, monitoring data has shown that concentrations of PM<sub>10</sub>, CO, and Ozone have exceeded the U.S. and Mexican Ambient Air Quality Standards many times in Mexicali and the surrounding area. Therefore, the application of the Significant Levels of 40 CFR 51.165(b)(2) is totally inappropriate because it does not accurately reflect the reality of the air quality in Mexicali and Imperial County, which is already very deteriorated. The ICAPCD feels that due to the proximity of these projects to the international border and the populated cities in Imperial County and Mexicali, the additional emissions associated with the two projects will adversely impact the region's air quality, exacerbate exceedances of emission standards in both the U.S. and Mexico, and will impact the health of the population in the region.

Due to the fact that Mexicali power plants are located in a non-attainment area (Mexicali) and that their emissions will impact an adjacent non-attainment area (Imperial County), the ICAPCD feels that the correct approach for evaluating the emission impacts should be through the Clean Air Act (CAA) Section 173. This section identifies the requirements for new and modified sources located in non-attainment areas. Section 173 (c)(1) requires that any new or modified source of emissions located in a non-attainment area to offset their emissions for which that area is non-attainment.

The ICAPCD would like to stress again that we believe that there should be mitigation measures implemented to offset the increased emissions and that these measures should be memorialized in the Presidential permits, however, the ICAPCD would like DOE/BLM to ensure the *off-site* mitigation measures take place in Imperial County.

- 4) Given the fact that DOE has chosen to apply CAA requirements to evaluate the impacts from the Mexicali plants on Imperial County, the DOE must rigorously follow the requirements in the CAA and not simply choose requirements that they feel will achieve the end result that DOE is apparently looking for - No Significant Impact.

The air quality data summary for Mexicali's Ozone, PM<sub>10</sub>, and CO exceedances provided in this comment letter (item 1) gives a much more comprehensive understanding of the high rate of NAAQS exceedances in Mexicali. The NAAQS are health based standards. The ICAPCD feels that use of the

0007-4  
(cont.)

0007-5